(c) to (e) : No such evasion has been detected. The outstanding income-tax arrears is only Rs. 1400/-.

Andhra Pradesh Government's request for writing off loan

2655. Dr. Y. LAKSHMI PRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether Andhra Pradesh Government has requested to write off Rs. 3491 crores out of the total outstanding loans due from the State Government on account of expenditure incurred on anti-extremist operations being a National problem; and

(b) if so, the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) Yes, Sir.

(b) The Eleventh Finance Commission as per its Terms of Reference is required to make an assessment of the debt position of States and suggest such corrective measures as are deemed necessary, keeping in view the long term sustainability for both the Centre and States. Any debt relief to State/States will have to await the recommendations of the Eleventh Finance Commission.

Recommendations of the 11th Finance Commission

2656. SHRI KRISHNA KUMAR BIRLA :

SHRI C. RAMACHANDRIAH :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have since received the recommendations of the Eleventh Finance Commission;

(b) if so, the details of the recommendations made by the Commission;

(c) whether the Commission have recommended the Government to substantially increase grants to various State Governments;

(d) whether Government have examined the recommendations of the Commission and propose to accept and implement in toto; and

(e) if so, by when and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (e) The Eleventh Finance Commission has submitted its Interim Report on 15th January, 2000. The Interim Report alongwith Explanatory Memorandum as to the action taken on the

recommendations made by the Eleventh Finance Commission in its Interim Report was laid on the table of the House on 16th March, 2000. Final report is due by 30th June, 2000.

Waiving of Loans of Weavers in Meghalaya

2657. SHRI ONWARD L. NONGTDU : Will the Minister of FINANCE be pleased to state :

(a) the number of weavers of powerloom, handicrafts, handloom and the poor SCs/STs whose loans have been waived off in Meghalaya during the last three years till date, district-wise;

(b) if not, whether Government propose to waive off the loans of such people who are living below poverty line in the State ; and

(c) if so, the details thereof and by when the decision to waive off the loans of the poor people is likely to be taken by Government ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (c) No loans in respect of any weavers of powerloom, handicrafts, handloom and the poor SCs/STs in the State of Meghalaya have been waived off in the last three years and at present there is no proposal to waive off loans of the above categories.

Evasion of Taxes

2658. SHRI NANA DESHMUKH : Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the news-item titled "Traders go to other states to avoid Taxes" which appeared in the 'Times of India' dated the 10th February, 2000;

(b) whether it is a fact that even the implementation of uniform sales tax has led to avoidance to tax in certain commodities with a result that number of Delhi Traders are shifting to other States where the tax rate is lower; and

(c) if so, what steps are being taken to overcome the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR) : (a) Yes, Sir.

(b) No instance of traders shifting to other States with a view to avoiding sales tax on account of implementation of uniform rates of sales tax has been reported.

(c) Question does not arise.